

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF PRICE ESTATES FOR APPROVAL) CASE NO.
TO TRANSFER TO APPALACHIAN WASTE CONTROL) 93-016

O R D E R

On January 12, 1993, Price Estates filed an application for Commission approval to transfer ownership of the wastewater treatment plant serving the Neil Price Subdivision to Appalachian Waste Control, Inc. ("Appalachian Waste"). On March 1, 1993, Price Estates submitted an adoption notice and a letter for evidence of financial integrity.

Having reviewed the application and evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Price Estates owns and operates a wastewater treatment plant in the Neil Price Subdivision of Johnson County, Kentucky, and is therefore a "utility" as defined by KRS 278.010(3)(f).

2. Appalachian Waste is a Kentucky corporation which operates eight treatment plants in Kentucky, two of which it owns, and is therefore a "utility" as defined by KRS 278.010(3)(f).

3. A transfer agreement was executed on August 4, 1992, which is contingent upon Commission approval of the transfer.

4. Appalachian Waste employs individuals who are certified as wastewater systems operators by the Natural Resources and Environmental Protection Cabinet, Division of Water.

5. In view of its financial assets, Appalachian Waste has sufficient financial integrity to ensure the continuity of sewage service. A copy of a valid third-party beneficiary agreement guaranteeing the continued operation of the sewage treatment system is therefore not required.

6. Appalachian Waste has the financial, technical, and managerial abilities to provide reasonable utility service to the customers of Price Estates.

7. Appalachian Waste should maintain its books of account in accordance with the Uniform System of Accounts for Sewer Utilities prescribed by the Commission.

IT IS THEREFORE ORDERED that:

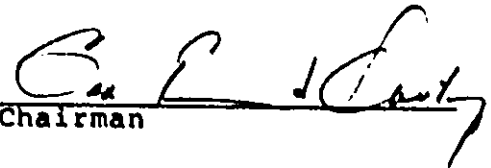
1. The proposed transfer be and it hereby is approved.

2. Price Estates shall file with the Commission a stamped, filed copy of the deed of conveyance within 10 days of the deed being filed with the County Court Clerk's office.

3. Appalachian Waste shall file journal entries reflecting its accounting of the transfer within 30 days of the date of this Order. The transfer shall be recorded on the books of Appalachian Waste in accordance with Finding Paragraph 7 herein. If it is necessary for a plant acquisition adjustment to be recorded, it shall be amortized over the remaining useful life of the purchased plant.

Done at Frankfort, Kentucky, this 15th day of March, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director